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Fishery Products Annual Report

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Fishery Products

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Report Highlights:
China's aquatic production in 2010 is forecast at 51.9 MMT, up three percent over the estimated 50.4 MMT in 2009. Production growth is driven by strong domestic consumption resulting from growing disposable incomes, and export-oriented aquatic processing. As a result of the slow-down in the world economy, total aquatic trade value is expected to decline for the first time in five years to an estimated at $12.9 billion in 2009, down from $13.3 billion the previous year. The United States continues to be the second largest seafood supplier to China and the second largest buyer of China's processed aquatic products with fish fillet as the largest category in 2009. Bilateral aquatic trade is likely to grow in 2010 along with the anticipated recovery of the global economy.

Executive Summary:

China’s 2010 aquatic production is forecast to reach 51.9 MMT, up three percent from the estimated 50.4 MMT in 2009. Much of this production growth is due to the continued expansion of aquaculture production, which accounted for 70 percent of total aquatic production in 2008. The increase in China’s aquatic production is tied

both to China's growing domestic demand as well as a strong export market. China's rapid economic growth has resulted in increasing disposable incomes, which has encouraged greater aquatic product consumption among China's consumers. The expansion of aquaculture area in both coastal seawater and freshwater contributed greatly to China's aquatic production growth, while aquatic catch production remains stable with the chance of a slight decline over the next few years. The aquatic processing sector, which is mainly export-driven, is also expected to expand further in the coming years.

Aquatic trade is forecast to grow in 2010 with China's trade surplus expected to increase from the estimated $6.3 billion in 2009. Despite anticipated weak demand by major importing countries as a result of the current financial crisis, export-oriented aquaculture and the processing trade are likely to recover in 2010. The United States continues to be the second largest recipient of China's processed aquatic exports, and also ranks as the second largest supplier of seafood to China. Aquatic trade between China and the United States is forecast to grow in 2010 with the "Fish/Frozen" category (HS Code 0303) continuing to be the major category imported from the United States. The export product mix to the United States is diversified with seasoning, cuts, and valued-added products. Controlling streptococcus disease remains a new challenge for export-oriented tilapia production. The opening of the U.S. Food and Drug Administration (FDA) offices in China is expected to strengthen the confidence of Chinese aquatic product exports and help facilitate smooth trade in 2010 and beyond.

Sustained high GDP and disposable income growth rates will continue to boost domestic consumption of aquatic products in 2010. However, imports for domestic consumption are growing at a slow pace. Nevertheless, high quality natural aquatic products from the United States, including salmon, are expected to steadily increase in volume and value.

Definition of terms: *Aquatic products* are both defined as cultured (farm raised) and wild caught aquatic products; including fish, shrimp/prawn/crab, shellfish, algae, and other. *Aquatic catch* production is total volume of both fresh and seawater caught wild aquatic products. *Aquatic culture* production is the total volume of both fresh and seawater cultured (farmed) aquatic products. This report will use Chinese terminology to maintain consistency between Chinese statistics and product categories.

General Information:

Production

Aquatic production is forecast to reach 51.9 MMT in 2010

China's aquatic production in 2010 is forecast to reach 51.9 MMT, up three percent from the estimated 50.4 MMT in 2009. China remains the world's largest aquaculture producer. The increase in production is attributed to the country's rapid economic growth, rising disposable incomes and greater consumption of aquatic products, together with strong aquatic exports. While official statistics are not yet available, 2009 aquatic production is estimated to increase by three percent over the 48.9 MMT in 2008. According to China's Ministry of Agriculture (MOA), aquatic production from January - August 2009 reached 27.8 MMT, up more than four percent over the previous year-to-date figure. Production growth is mainly attributable to cultured production at 19.8 MMT, up more than seven percent over the previous year. Based on an MOA survey, both the cultured water area and inputs increased in the first eight months of 2009. Driven by strong demand for aquatic products in the domestic market and reduced prices for inputs, the profit margin for fish farmers has increased. Additionally, production efficiency improved because of adoption of advanced technologies, and financial support from the central government to renovate aquaculture infrastructures (pond reconstruction,

etc.). Ocean catch production, however, declined to 6.7 MMT, down four percent over the previous year. MOA attributed the extended half-month fishing ban in the summer and deteriorated marine fishing resources to this year's smaller catch production. According to the National Statistics Bureau (NSB), the yearly growth rate of China's aquatic production averaged four percent from 2004 through 2008. However, it showed a declining trend from four percent in 2004 to three percent in 2008.

Table 1 China's aquatic production (Unit: 1000 Metric Tons)

Category/Year	2005	2006	2007	2008	2009*
Total Aquatic Production	44,199	45,836	47,475	48,956	50,400
-Seawater Aquatic Production	24,659	25,096	25,509	25,983	26,000
---Seawater Catch	12,551	12,455	12,435	12,580	12,400
---Seawater Culture	12,108	12,642	13,073	13,403	13,600
-Freshwater Aquatic Production	19,540	20,740	21,966	22,973	24,400
---Freshwater Catch	2,210	2,204	2,256	2,248	2,000
---Freshwater Culture	17,330	18,536	19,710	20,725	22,400
Source: 2009 China Statistics Yearbook/Table 12-20;* Estimated by FAS/Beijing					

China's continued aquatic production increase is fueled by aquaculture expansion which is estimated to account for 70 percent of total aquatic production in 2008. As mentioned above, NSB's data show the yearly aquatic production growth rate from 2004 to 2008 averaged four percent. During this same period, the annual cultured (farmed) aquatic production growth rate grew at more than six percent. Aquatic catch production remained stagnant from 14.3 MMT in 2001 to 14.7 MMT for 2008. This trend is likely to continue both domestically and worldwide in the foreseeable future and will only be limited by declining wild fishery resources. In contrast, aquaculture production will be driven by the further exploitation of water resources along with higher yields. Freshwater and seawater culture production both increased in 2008, up five percent and three percent over the previous year, respectively. Total cultured aquatic production reached 32.8 MMT, accounting for 70 percent of total aquatic production in 2008.

Table 2 China's seawater and freshwater aquatic production by category (Unit: 1000 Metric Tons)

Category/Year	2005	2006	2007	2008	2009*
Seawater Fish Production	9,139	8,921	8,913	8,643	NA
Seawater Shrimp, Prawn, and Crab	2,813	2,994	2,989	2,888	NA
Seawater Shellfish	10,081	10,467	10,682	10,725	NA
Seawater Algae	1,339	1,376	1,388	1,423	NA
Seawater Other	1,286	1,338	1,536	1,221	NA
Freshwater Fish	17,372	18,225	19,085	19,985	NA
Freshwater Shrimp, Prawn, and Crab	1,403	1,678	2,021	2,101	NA
Freshwater Shellfish	463	509	505	501	NA
Freshwater Other	302	328	356	387	NA
Source: 2009 China Agriculture Statistics Report *NSB data not yet available					

Fish production stood at 28.6 MMT in 2008, up two percent from 28 MMT in 2007. It remains the largest category, accounting for 58 percent of the total aquatic production, followed by shellfish and crustaceans at 23 and 9 percent, respectively. Freshwater fish reached 20 MMT (compared to the 19 MMT in the previous year), accounting for 70 percent of total fish production. Cultured fish continued to account for 92 percent of all

freshwater fish production in 2008. Carp is the most popular cultured freshwater fish with total production at 13.5 MMT in 2008 (up from 12.9 MMT in 2007), accounting for 73 percent of total freshwater cultured fish production. Tilapia production remained generally stable in 2008 at 1,110,000 MT, compared to the 1,134,000 MT in 2007. Industry sources reported that tilapia production in 2009 is estimated at 1,150,000 MT. The slow growth in production reflected the weak demand from major tilapia importing markets resulting from the global economic decline since 2008. Tilapia production is expected to continue growing in the near future in response to recovering demands for China's tilapia products by foreign markets in particular the United States, together with increasing domestic consumption. Catfish production is likely to reach 250,000 MT in 2009, up from 224,000 MT in 2008. Shellfish continued to be the largest group of sea-cultured species with 2008 production exceeding 10 MMT, and accounting for 75 percent of total sea cultured production. Cultured crustacean production in 2008 exceeded 2.7 MMT, of which freshwater production represented 65 percent of the total cultured crustacean production in 2008. Cultured *Penaeus vannamei* (also known as white shrimp) production reached 1,063,000 MT in 2008, accounting for 39 percent of total cultured crustacean production.

In 2009, Shandong, Guangdong, and Fujian Provinces are expected to remain the three largest aquatic product producers, mainly because of their large sea cultured production. Hubei, Guangdong, and Jiangsu Provinces rank as the top three in freshwater production due to their high freshwater cultured production and abundant freshwater resources in the area.

Table 3 China's top-8 aquatic producing provinces in 2008 (Unit: Metric Tons)

Province	Total production	Sea production	Freshwater production
Total	48,956,000	25,983,000	22,973,000
Shandong	7,303,000	6,095,000	1,208,000
Guangdong	6,804,000	3,768,000	3,036,000
Fujian	5,420,000	4,761,000	659,000
Zhejiang	4,188,000	3,376,000	812,000
Jiangsu	4,250,000	1,253,000	2,998,000
Liaoning	3,777,000	3,161,000	615,000
Hubei	3,134,000	0	3,134,000
Guangxi	2,500,000	1,441,000	1,059,000
Other	11,580,000	2,128,000	9,452,000
Source: 2009 China Statistics Yearbook			

Freshwater aquaculture exists nationwide, particularly for carp. However, production of some species is limited to certain regions due to available resources and climactic conditions. For example, tilapia production is dominated by four provinces: Guangdong, Guangxi, Hainan, and Fujian, accounting for 89 percent of the total 1,110,000 MT in 2008. Catfish production, on the other hand, is primarily located in Sichuan, Hubei, Jiangsu and Jiangxi, collectively producing 61 percent of the national total. Production in Hunan and Anhui also approached 20,000 MT in 2008, respectively. The largest producers of both fresh and seawater shrimp and prawn are Guangdong, Guangxi, Jiangsu, Zhejiang, and Shandong Provinces. Guangdong continued to be the largest shrimp producer in 2008, with total cultured production at 502,000 MT (507,000 MT), of which *Penaeus vannamei* production at 402,000 MT (395,900 MT in 2007). Eel production is concentrated in Fujian, Guangdong, and Jiangxi Provinces, with much of it destined for the Japanese market. The combined cultured

shellfish production of Shandong, Fujian, Guangdong, and Liaoning Provinces continued to dominate, accounting for 78 percent of the 2008 total.

Tilapia production faces disease challenge

The rapid growth of tilapia production in recent years faced a new challenge in 2009. According to industry sources, an outbreak of streptococcus occured from July through September 2009 in some parts of major tilapia producing provinces, and impacted production. After careful analysis, China's tilapia experts deduced that animal excrement contamination could be the reason for the outbreak of the disease. A vaccine has been developed to prevent future outbreaks. However, the disease resulted in tight supply of raw fish at increased price for export-processing facilities in late 2009. Some processors complained that if the export price does not increase facilities may have to suspend operations because their profit margin will be negative. Some industry insiders, however, believe that the impact of the disease is limited only to the short term, and the disease can be prevented if the culture environment can be properly controlled with the assistance of vaccines.

Aquatic catch production is shrinking

Total 2010 catch production is forecast to be unchanged from the estimated 2009 production of 14.4 MMT, but down from 14.8 MMT in 2008. According to NSB, annual seawater catch between 2005 and 2008 ranged from 12.4 to 12.6 MMT and accounted for 85 percent of China's total catch. Freshwater catch production has remained small at about 2.2 MMT in the past few years. According to MOA, total sea catch production in the first eight months of 2009 was 6.7 MMT, four percent lower than the previous year. MOA acknowledged that the deterioration of marine fishing resources, coupled with the extended half-month fishing ban in 2009 reduced sea catch production. MOA also claimed that the summer fishing ban implemented 15 years ago protects marine fish resources and improves the ecological environment. As a result of this ban, catch production of some fish species such as ribbon fish and croaker, increased rapidly compared to 1994. Industry sources report that total catch is unlikely to increase in the foreseeable future due to limited freshwater and seawater natural resource availability. Though seawater catch data for other territorial seas is not officially released, most industry insiders believe it is difficult to increase production significantly.

Aquaculture farmed area expansion continues

The total aquaculture area expanded rapidly in 2008, exceeding 6.5 MHA, up more than 14 percent over 2007. The combined freshwater and seawater areas increased by 804,000 HA, with 558,000 HA for freshwater and 248,000 HA for seawater in 2008. Liaoning Province added 158,000 HA of aquaculture area with 117,000 HA of seawater and 41,000 HA of freshwater area, respectively. Zhejiang and Shanxi Provinces also increased aquaculture area by 118,000 HA and 106,000 HA, respectively. The expansion of aquaculture area in inland provinces such as Shanxi and Henan is mainly the result of making use of existing lakes and reservoirs. Industry insiders opined that this rapid growth of aquaculture area not sustainable beyond 2009. However, both seawater and freshwater culture area is likely to grow moderately in the coming years. Freshwater culture area is also expected to increase because some reservoirs/lakes will be utilized for aquaculture purposes along with improvement of transportation and technical services. However, MOA indicated that limited water resources

and environmental concerns pose new challenges to the expansion of aquaculture areas and additional production gains will be achieved through technology dissemination and innovation.

Table 4 China's Aquaculture Area Resources (Unit: Hectares)

Year	Total	Seawater	Freshwater	Freshwater-Pond	Freshwater-Reservoir	Freshwater-lake	Freshwater-Other
2008	6,549,932	1,578,909	4,971,023	2,144,715	1,549,612	961,335	1,792,862
2007	5,745,090	1,331,478	4,413,612	1,840,626	1,299,349	1,040,123	1,783,810
2006	5,517,758	1,271,700	4,246,307				
Change 08/07	**+14%**	**+18%**	**+13%**				

Source: 2007 and 2008 China Agriculture Statistics Report

MOA promotes healthy aquaculture and high quality products

The industry's expansion has mainly been focused on increasing production capacity and farming area. In the 2009 National Fishery Conference, MOA officials stressed that the priority of the sector is to improve production efficiency, upgrade product quality, ensure adequate supply of safe aquatic products, and maintain or grow fish farmer incomes. In an effort to promote "healthy aquaculture," MOA plans to re-construct 1.3 million hectares of fish ponds in major production areas. This is an effort to repair ecosystem damage and standardize production ponds' agronomic practices over the next 5 to 10 years. Additionally, the aquaculture production licensing system will be enhanced with 90 percent of facilities to be licensed by the end of 2010. MOA also intensified its monitoring and supervision of the quality and safety of aquatic products. Based on MOA's second agricultural product quality/safety survey report released in October 2009, 96.4 percent of the surveyed aquatic products matched the standards. MOA also has established agricultural product quality test stations in 435 counties, and plans to build the stations in 1,200 counties (more than 2,400 counties total) nationwide.

To ensure the quality of aquatic products, particularly goods for export, MOA and the General Administration for Quality Supervision, Inspection and Quarantine (AQSIQ) adopted a strict licensing regime for all export-oriented farms and processing establishments. MOA and AQSIQ conduct frequent field audits of export-oriented aquaculture farms. Aquatic products for export are subject to mandatory inspection and must be accompanied by AQSIQ inspection certificates.

Aquatic processing for re-export slowed in 2009

China's dynamic aquatic processing for re-export (processing trade) slowed in 2009, mainly as a result of the economic crisis since 2008. According to MOA, in the first half of 2009 processing trade accounted for 37 percent of all aquatic products export value, lower than the estimated 40 percent in past few years, with the total export volume and value for processing trade declining by nine and three percent, respectively. Industry sources attributed the shrink in exports to the weak demand for aquatic products by major importing countries, coupled with high prices for raw fish in the world market. Based on World Trade Atlas (WTA) data, China's imports of

flatfish decreased by 13 percent, and cod imports declined 61 percent in volume from January - October 2009 compared with the previous year. The increased price for cod and reduced catch in major supplying countries such as Russia encouraged Chinese traders to switch to the more profitable salmon processing business.

Aquatic processing for domestic consumption grew slowly

Processed aquatic products using domestic raw material (mostly cultured products) are mainly driven by exports. Domestic consumption of processed aquatic products remains relatively small compared to the total annual domestic aquatic product consumption. Although some consumers in large cities have begun purchasing processed aquatic products, most Chinese consumers still prefer live or fresh aquatic goods. Despite complaints of foreign trade barriers on Chinese aquatic products, MOA acknowledged that the barriers also forced the sector to invest more in producing value-added, higher quality products.

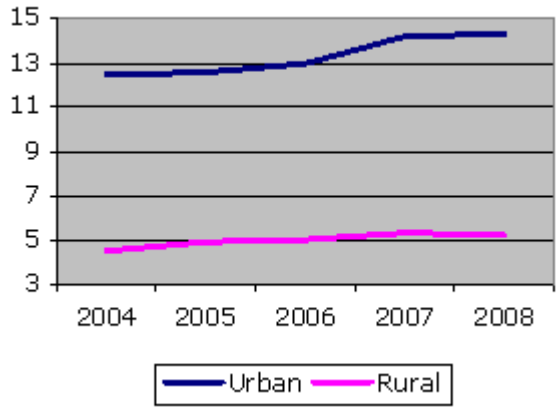
According to MOA, the total number of aquatic processing facilities continued to increase in 2008, reaching 9,971, up by 175 over the previous year. Processing capacity also rose to 22 MMT from 21 MMT in 2007. The number of cold storage facilities increased over 2007 by 582 to 7,439. Total aquatic products processed in 2008 was 16.4 MMT compared to the 16.8 MMT in the previous year. This accounted for about 34 percent of the total aquatic production in 2008. Total processed aquatic product volume stood at 13.7 MMT, of which 8.5 MMT was frozen or frozen processed goods. Industry sources indicate that this situation reflects domestic consumers enduring preference for live aquatic products. The processing sector's capacity to expand is mainly driven by export market demand, which has led to the construction of new production facilities.

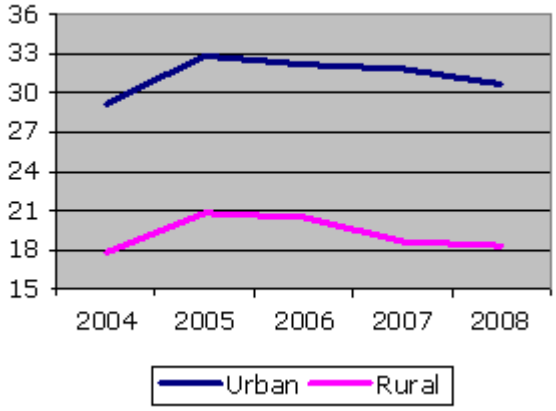
Aquatic processing bases are located within or near major aquatic production regions. Out of the total 9,971 processing facilities, 6,904, or 69 percent are concentrated in Zhejiang, Shandong, Fujian, and Guangdong Provinces. These provinces are also major aquaculture producers and are equipped with port and cold storage facilities. Many foreign traders have also entered the processing trade industry in these provinces.

Consumption

China's per capita aquatic product consumption is forecast to continue increasing in 2010. Based on NSB's information, per capita consumption for urban dwellers in 2007 was 14 Kg, up from 13 Kg in the previous year, while for rural residents it was 5.4 Kg, up 0.4Kg. NSB did not provide consumption of aquatic products for urban dwellers in 2008 (Post estimated this at 14.3 Kg) but for rural resident it was 5.2 Kg, slightly lower than the previous year. Chinese industry insiders expect that consumption of aquatic products in 2009 is higher than the previous year mainly because of adequate supply at relatively lower prices, and the continued growth in consumer incomes. Per capita consumption is expected to increase steadily with stronger growth potential in the rural sector than the urban sector because the rural consumption is relatively low at present.

Per Capita Consumption Trends for Aquatic Products* (left) and Pork, Beef, Poultry and Mutton (right) (Kg)**





Note: Urban Population of 606.7 million (45.7%). Rural Population of 721.4 million (54.3%);
*estimated by Post (data not available from NSB)
**consumption down for urban and rural, respectively mainly due to tight supply and high price in 2007 and 2008; Data before 2007 are based on NSB unadjusted version
Source: 2009 China Statistical Yearbook Table 9-9 and 9-29

Based on MOA survey results (among 30 major aquatic product wholesale markets), the average wholesale price for aquatic products in the first eight months of 2009 decreased by two percent over the previous year. Freshwater product prices were down by five percent. Prices for seawater products, however, increased slightly over the previous year. The traded volume increased by more than seven percent indicating the domestic consumption remained dynamic despite the slowdown of GDP growth. Many aquatic producing companies opted to develop the domestic market to offset decreased orders from international markets. According to NSB, China's CPI maintained negative growth from February through October, however, it increased by 0.6 percent in November 2009. In general, aquatic prices remained lower in 2009 compared to the previous year, but were relatively stable. Prices for aquatic products are expected to increase in 2010 along with increases in the prices for feed and other inputs. Many industry sources expect aquatic consumption by both urban and rural residents to grow in 2009 and continue in 2010. Based on MOA's 11th five-year plan, the nationwide per capita aquatic product consumption is expected to reach 12 Kg by 2010.

Overall, per capita consumption of aquatic products in coastal provinces is higher than in other regions. Apart from obvious geographic differences, residents of coastal cities have a higher level of disposable income that influences consumption patterns as well. Table 6 lists the top ten provinces and municipalities with the highest expenditures on aquatic products in 2008. This ranking is virtually unchanged from 2007. Consumption is also related to dietary tradition as people in western provinces typically prefer other types of animal protein. Most Chinese consumers are still price sensitive when purchasing aquatic products. Freshwater cultured products such as carp and shrimp/prawn are popular for consumption both at home and in restaurants due to the affordable price and freshness. Seawater products, including yellow croaker and ribbonfish continue to be favorites for most consumers in North China. Imported seawater products for domestic consumption mainly

include cod, squad, plaice, and mackerel. Processed shellfish/shrimp/prawns and tilapia fillet are also increasingly popular among consumers in large cities. High quality imported seafood such as lobster, geoducks, salmon, and crab, however, are widely used by hotels and restaurants targetting high-end consumers. Along with the growing middle-class in large cities and coastal regions with booming economies, the potential for these products remains promising as Chinese families opt for a more diversified and nutritious diet.

Table 6 Per Capita Annual Living Expenditure on Aquatic Product of Urban Residents by Region in 2008

Region	Aquatic Product Expenditure RMB Value	Disposable Income Rank	Disposable Income Value
Fujian	859	7	17,961
Shanghai	708	1	26,675
Zhejiang	596	3	22,727
Guangdong	550	4	19,733
Hainan	567	21	12,608
Jiangsu	356	5	18,679
Tianjin	351	6	19,423
Liaoning	318	11	14,393
Shandong	263	8	16,305
Guangxi	264	14	14,146
Beijing	221	2	24,725
Nationwide Average	280	NA	15,780

Source: 2009 China Statistics Yearbook/Table 9-15

Because Chinese consumers prefer live seafood compared to fresh or frozen products, most restaurants keep fish tanks that allow customers to choose their own fish, shrimp, lobster, crab, and other aquatic products when dining out. Most wet markets and some supermarkets also allow consumers to purchase live aquatic products. This tradition appears to be changing due to the increasingly fast-paced life of cities, as more and more families prefer ready-to-cook aquatic products to save time. Processed products, including processed fish, shellfish, mollusks, and shrimp/prawns, are therefore becoming increasingly popular in hypermarkets in large cities.

Trade

Total aquatic product export growth is expected to recover in 2010

China's aquatic trade value and volume are expected to recover in 2010 from the stagnant situation in 2009. The world economic recession since late 2008 is mainly to blame for the slow-down of China's aquatic export growth. Total aquatic trade value for 2009 is estimated at $12.9 billion with exports valued at $9.6 billion, similar to that from the previous year. This is significantly lower than the eight percent growth in export value in 2008. Aquatic product import value is estimated at $3.3 billion in 2009, down 11 percent from the $3.7 billion in the previous year. The trade surplus is expected to hit $6.3 billion in 2009, up eight percent from $5.9 in 2008. Aquatic exports continued to be the largest category of all China's agriculture exports. According to WTA, in the first ten months of 2009, total export volume decreased by four percent, while import volume decreased 11 percent compared to the previous year. The smaller imports of raw aquatic products in the global market in part are the result of increased prices for certain products, coupled with weak demand for processed

products at relatively low prices. Some Chinese aquatic product manufacturers complained that they suspended processing of certain products because they were unable to turn a profit. Industry sources explained that the growth in total value and decline in volume reflect a shift to a more value-added product mix. Most Chinese industry insiders believe that along with the stable recovery of the world economy, and the strong competitiveness of China's industry, aquatic exports in 2010 are likely to recover over the previous year.

Aquatic export destinations became more diversified. It is expected that China's aquatic export value to 19 countries/regions will reach $100 million for each in 2009. Japan continued to be the largest export destination, followed by the United States and South Korea. (See tables).

Aquatic processing trade is expected to level off

Aquatic imports are forecast to increase in 2010 over the estimated 2.1 MMT imported in 2009. The estimated 2.1 MMT of imports in 2009 is 11 percent lower than in 2008. The yearly growth rate for aquatic import volume reached six and 12 percent in 2007 and 2006, respectively. Chinese industry sources reported the aquatic import slowdown demonstrated processing trade was challenged by increased prices of raw fish in international markets, coupled with higher prices for energy, labor, and other domestic inputs. Export prices, however, remained low due to the global economic recession. For instance, the import volume of cod plummeted by 61 percent from January – August 2009 mainly because of very thin processing profits. MOA is concerned that the "low price and profit strategy" employed by some exporters will hurt the sustainable development of the industry and product quality is likely to be compromised.

There is no official data that can accurately distinguish the share of aquatic imports destined for China's processing trade. According to MOA, the export value of processing was 37 percent out of the total aquatic export value in the first ten months of 2009, compared with the 40 percent estimate from industry sources. This also indicates that export share of domestic aquatic products (using domestically produced raw material) is likely to grow in 2009. Imports for domestic consumption are also growing, but at a comparably slower pace. Government policy continues to favor the expansion of the processing industry because it can absorb much of China's ever growing labor force. According to WTA, in the first ten months of 2009, imports by category are characterized by a decreased volume of frozen fish (HS 0303) and mollusks (HS 0307), however, accounting for 80 and 12 percent of the total imported volume, respectively. Large imports are destined for re-export with a strong combined export volume of fish/fillet (HS 0304) and prepared or packaged fish (HS 1604), at about 1.1 MMT, accounting for 50 percent of the total export volume.

Based on WTA, salmon imports increased sharply to 169,226 MT in the first ten months of 2009, up 76 percent compared to the previous year. Salmon imports from Russia soared to 67,776 MT, from 17,914 MT in 2008. Imports from the United States also increased to 56,481 MT, up 41 percent. Industry sources reported that a good harvest of salmon in Russia contributed to an affordable price, encouraging many traders to switch to salmon processing. Based on WTA, import price for salmon in the first ten months of 2009 averaged at $ 2.29/Kg, six percent lower than the previous year. Russia surpassed the United States to become the largest

supplier of salmon to China, followed by the United States and Japan.

Russia is expected to continue to top the list of origins for China's aquatic product imports, which it has headed for the past consecutive seven years, distantly followed by the United States and Japan. Total imports from Russia are estimated to be $1.1 billion in 2009, down from the previous year, however, accounting for 34 percent of China's total 2009 aquatic imports.

Qingdao and Dalian continue to be the two largest arrival ports for aquatic products, accounting for 85 percent of the total imports. Well-established facilities, including processing factories in Qingdao and Dalian, will likely solidify the status of these two cities as the largest seafood import hubs in China for the foreseeable future.

Aquatic trade with the United States is expected to grow

Despite the reduced total import value, imports from the United States continued moderate growth during the first ten months of 2009, with imports valued at $472 million and expected to reach $550 million for the year (up three percent over 2008). The United States has been the second largest supplier to China since 2004. From January to August 2009, frozen fish remained the largest category, accounting for 80 percent of the total import value. Salmon was the top import valued at $136 million, followed by plaice (at $130 million out of the total $181 million for all flatfish), cod valued at $43 million, and mollusks valued at $45 million. Although salmon imports from the United States soared, it is difficult to quantify the volume of salmon imported for domestic consumption. However, salmon is becoming a staple dish among middle class consumers at home or dining out in Japanese restaurants or hi-end hotels in large cities including Beijing, Shanghai, and Guangzhou. Industry insiders believe China will become one of the world's largest salmon markets in the near future.

China's total aquatic exports to the United States in the first ten months of 2009 also followed a growth trend, and reached $1.6 billion in value, up two percent over the previous year. Major product category includes fish fillet ($730 million, up 48 percent over the previous year), followed by prepared/preserved crustacean/mollusks ($357 million), and prepared/packaged fish ($226 million).

Fishmeal imports are forecast at 1.3 MMT in 2010

Fishmeal imports in 2010 are forecast at 1.3 MMT, similar to the estimated 1.3 MMT in 2009. Fishmeal imports in 2008 exceeded 1.3 MMT, mainly due to a steady recovery of China's animal husbandry sector. The price of fishmeal in 2009 declined moderately, allowing imports to remain strong in the first quarter of 2009. Feed industry sources reported that fishmeal is still regarded as the best animal protein source provided the price remains acceptable and reasonable. Other protein meals are added as substitutes when prices for fish meal are too high. Domestic fishmeal production continues to be low and expected to be less than 260,000 MT in 2009. Imports for 2010 are forecast at 1.3 MMT given the large scale of China's animal husbandry and aquaculture sectors, and the 2009 ending stocks are likely to be high. Peru remains the largest fishmeal supplier to China, accounting for 59 percent of total imports in the first ten months of 2009. Imports from the United States are expected to be similar to past years at approximately 70,000 MT annually.

Fish fillet tops total aquatic exports

China's exports of aquatic products for 2009 are expected to reach $9.6 billion, similar to the previous year. Based on WTA data, in the first ten months of 2009 the major export categories - prepared or packaged fish and caviar (HS Code 1604), and prepared crustaceans and mollusks (HS Code 1605) have seen a decrease in growth in both value and volume. Fish fillet (HS Code 0304) exports, however, increased 10 percent in export volume, and 17 percent in value, over the previous year. Some industry insiders believe that this is because customers in major importing markets prefer less expensive fillets to prepared and packaged fish during times of economic difficulty.

Adding greater value to fish products has increasingly enhanced China's industry. The trend is likely to continue and will be made possible through the advancement in technology and management, as the industry strives to meet changing consumer demand.

In the first ten months of 2009, total tilapia exports reached $545 million, down from $573 million in the previous year. The product mix changed, with fillets valued at $327 million, up significantly from $18 million in 2008; while the export value of prepared and preserved tilapia dropped to $186 million compared to the $539 million in the previous year. This notable change of tilapia product mix reflected a variation in consumer preference for cheaper fillets. The share of prepared and preserved tilapia fillets may increase along in tandem with the recovery of consumer purchasing power in 2010. In the first ten months in 2009, the United States remained the largest destination for China's tilapia products, accounting for 52 percent in volume. The net export volume to the United States exceeded 100,000 MT, up 13 percent over 2008.

More measures adopted to make aquatic food exports to the United States safer

On November 19, 2008, the United States Department of Health and Human Service (HHS) announced the opening of FDA's first foreign office in Beijing, China. Offices in Guangzhou and Shanghai were opened in 2009. FDA's presence in China will include eight officials described as "inspectors and senior technical experts in foods, medicine and medical devices." FDA employees will inspect products and liaise with Chinese officials and groups. The United States also intends to help the Chinese government improve its regulatory systems for exports. The establishment of these offices in China will greatly enhance the speed and effectiveness of our regulatory cooperation and our efforts to protect consumers in both countries. This cooperation is based on a Memorandum of Agreement on Food and Feed Safety signed by HHS and AQSIQ (GAIN7888). It is expected that the joint efforts of FDA (by the new FDA presence in China) and AQSIQ will better safeguard Chinese aquatic products destined to the United States.

Sea caught seafood exports to the EU likely affected by EU catch certificate

Based on an EU Illegal, Unreported and Unregulated Fishing Regulation, effective January 1, 2010, most of the sea caught seafood exports to EU must be accompanied by a "Catch Certificate." This will cover both sea caught products by Chinese marine fishing companies and products imported from other countries by Chinese processors. MOA has already requested traders/processing facilities obtain the "Catch Certificate" from

overseas suppliers if the processed products are destined for the EU.

Based on WTA data, China's total aquatic exports to the EU were valued at $1.8 billion in 2008 and reached $1.4 billion in the first ten months of 2009. Industry sources reported that more than half of these exports are sea caught processed products. Some Chinese industry insiders opined that these new requirements have raised the threshold and created a trade barrier for Chinese aquatic product exports to EU.

China's catfish industry shows concerns over new USDA catfish rule

Since the 2008 Farm Bill extended FSIS's inspection jurisdiction to include domestic and imported farm-raised catfish, the relevant Chinese authorities continually express concern over the development of the rule. The Chinese industry is eager to comment on the USDA proposed rule, and continually remind Post of their hope it will not affect trade. In coordination with FSIS, FAS/Beijing explained to the industry the implementation of the rule will comply with WTO principles.

Policy

China's policy favors smooth growth for aquatic production and exports

China's fishery production policy remains generally unchanged. China's rapid GDP growth will boost domestic demand for aquatic products. MOA continued to promote a more sustainable development model with rational resource utilization in 2008 through a nationwide plan to build environmentally-friendly and healthy aquaculture demonstration bases. Through increased enforcement of relevant laws/regulations and technical extension, the plan is aimed at promoting better use of resources, protecting the environment, producing safe products, and raising farmer incomes. Other measures include technology extension and drug use supervision. The aquaculture development plan by region/province also remains unchanged in general. However, some provinces have expedited development of local freshwater or seawater resources in 2008. For instance Liaoning Province added 116,000 hectares of seawater culture area, and Shaanxi and Zhejiang Provinces both added freshwater culture area by 106,000 hectares and 78,000 hectares, respectively. It is difficult to predict whether this rapid expansion of culture water area will continue into 2010 and beyond. Large aquatic producing provinces will continue to focus on their most competitive products. Export-oriented aquaculture production/processing will continue to be concentrated in coastal provinces.

Domestic aquatic catch is restricted. The "Zero Growth" policy for domestic wild aquatic catch is to be maintained, although overseas catch is encouraged. The two-month summer fishing moratorium in China's seawater was extended to two and half months in 2009, and the three-month spring fishing ban in the Yangtze River entered its sixth year. In an effort to protect and restore ecological balance, state and provincial fishery departments conduct frequent releases of aquatic fingerlings to waters nationwide. The catch in other territorial seas is encouraged but the expected production will remain stable overall.

Implementation of aquaculture licensing system delayed

The implementation of an aquaculture licensing system continued in 2009. According to MOA's 2008 Promotion of Healthy Aquaculture Action Plan, major aquatic producing counties completed overall water

resources development plans and 90 percent of aquaculture entities will be licensed by the end of 2008. However, an MOA circular dated March 30, 2009, indicated that a target of 90 percent licensing is to be achieved in 2010. This demonstrates the challenge that remains for licensing the thousands of China's small scale aquaculture facilities. The implementation of the nationwide licensing system is aimed at better regulation of the industry and enforcement of policies. As mentioned above, the HHS and AQSIQ agreement signed in December 2007 will require exporters to the United States to register with AQSIQ and agree to annual inspections to ensure their goods meet U.S. standards.

Policy on aquatic processing trade remains unchanged

China's government views the processing trade as an advantageous industry due to its role in generating new employment and producing rendered product that can be used as a feed ingredient for the feed industry. Essentially, imports under the heading "Processing Trade" will continue to be imported value added tax (VAT) and tariff-free. Processed products, however, must be re-exported. Imports destined for China's domestic consumption are subject to tariff and VAT (CH5089). According to industry sources, processing trade declined slightly, accounting for 37 percent of China's estimated $9.6 billion aquatic exports in 2009. However, China's industry and official sources both claim that China is actively becoming the world's processing center for mackerel, salmon, cod, and herring. Industry sources note that the number of enterprises involved in "Processing Trade" is on the rise, especially in the large fishery provinces, Shandong and Liaoning. According to China's Ministry of Finance, enterprises engaged in primary processing of aquatic products and other agriculture commodities are entitled to a preferential income tax policy, however, no details have been published.

Amended import certificate for live edible aquatic products amended

On December 11, 2008, AQSIQ published on its website the "Explanations on Amendments to Rules of Inspection and Quarantine on Entering Edible Aquatic Species." (http://dzwjyjgs.aqsiq.gov.cn/zxjyjyyq/200812/t20081211_100208.html). The amendments request the exporting country to add detailed inspection and quarantine information to the export health certificate (GAIN CH9050). FAS/Beijing, in collaboration with NOAA, APHIS/Beijing, and the Foreign Commercial Service/Beijing conducted several consultations with AQSIQ. A NOAA amended version of Health Certificate for live edible aquatic products was approved by AQSIQ, and currently NOAA is preparing 50 original copies of the certificate for AQSIQ. AQSIQ verbally agreed that trade would not be impacted during this transitional period.

Marketing

Healthy, Nutritious, Safe and Convenient Products

In recent years, high-end aquatic product imports from overseas have become increasingly available in the China market. Fishery products from the United States have a reputation for superior quality, natural growing environment, sustainability, and traceability. Caught from coast to coast, a wide variety of U.S. seafood is available for export in comparison to the more limited supplies available from third country suppliers.

With the increasing amount of Western style cuisine on offer in restaurants and hotels in China, imported fishery products are in increasing demand. Lobster, clam, oyster, sea cucumber, snow crabs, and wild Alaskan salmon are all popular products. Also with the ongoing evolution of Chinese cuisine, more local restaurants are using imported seafood products to offer more choices for customers.

Stringent food safety procedures, advanced and controlled harvesting, processing, and cold chain logistics help to ensure the near-fresh conditions of U.S. seafood exports. While China's cold chain facilities and logistics are still improving, they have a long way to go to meet evolving domestic requirements and international standards. Shellfish, such as scallops and oysters from the United States often enjoy strong sales because of consumer concerns that domestic shellfish may have heavy metal contamination. Sea cucumbers, live lobsters, and Dungeness crabs reportedly enjoy strong demand in the HRI food service because of their nutritional content and wild origins sector - despite relatively high prices.

Who are Buying?

Chinese consumers traditionally prefer low-cost, live seafood, and fresh aquatic products. In much of inland China including the provinces of Inner Mongolia, Shaanxi, Shanxi, Henan, Xinjiang, and Tibet, fresh aquatic products are scarce due to geographic isolation, underdeveloped cold chain and distribution systems, transportation bottlenecks, and uneven weather conditions. In these more isolated regions, aquatic products in frozen, dried, cured, and other processed forms are more popular because of their longer shelf life. Meat is the preferred animal protein because of traditional dietary habits and consumption patterns.

HRI food service sector remains major end-user

In recent years, high-end seafood imports such as salmon, black sea bass, halibut, live lobsters, and fresh oysters can be found in many mid-high end restaurants across China. The perceived superior texture and flavor of U.S. seafood compared to local substitutes continues to win the favor of many high-end chefs and fine dining establishment professionals.

The HRI food service sector mainly purchases high-end seafood and fishery products. Even in some coastal cities like Qingdao, Yantai, Tianjin, Dalian, Shanghai, and Guangzhou where local fishery products are abundant, imported products still receive strong customer support. Effective marketing and promotional activities such as chef demonstrations, training, and seminars are effective tools for promoting U.S. fishery products in the HRI food service sector. Most of these activities provide focused education for food service professionals and emphasize the proper preparation, product handling, and application of various U.S. fishery products.

Middle class consumers look for quality products and health benefits

Urban and middle class Chinese consumers have become increasingly aware of product origin and opt for imported products because of its nutrition, safety, and variety. Health consciousness, nutrition, and brand awareness also increasingly affect consumer perceptions and purchasing behavior. Some specific fishery

products have benefited from medical research linking seafood consumption to good health. This is particularly true for deep sea fin fish, which often contain high levels of heart-healthy fatty acids such as Omega 3. Media coverage and lifestyle media campaigns related to these findings continue to play an important role in driving consumer demand for products such as fish oil in urban China. Market development activities focusing on these themes are effective tools for educating Chinese consumers about the quality and availability of U.S. fishery products.

Ready to cook, portion control is the trend

The rapidly changing and increasingly modern, fast-paced lifestyles of many Chinese consumers, especially those under 35, means that these consumers often prefer to purchase value-added products in supermarket or hypermarket formats. Portion controlled, ready-to-cook, breaded, battered, frozen filleted, frozen cooked, and frozen raw seafood are increasingly well-positioned to meet changing consumer needs. These nutritious and easy-to-prepare products continue to grow in popularity. However, while these seafood products are ready made, it is advisable to provide clear preparation and cooking instructions. This is important because Chinese consumers traditionally consume fresh or live fishery products and are often not familiar with value-added product preparation. Marketing tools in the retail sector include in-store demonstration and promotion, product sampling, recipe leaflets, and brochures.

Fishery products on the rise in QSR sector

Seafood has also entered the fast food sector. Compared with the traditional meat and poultry options, fish or seafood items are becoming increasingly popular. KFC, as one of the top Quick Service Restaurant (QSR) giants in China, has focused on developing healthy menu offerings since 2007 using deep-sea cod and Wild Alaskan Salmon nuggets. Imported fishery products are also finding their way onto Chinese dining tables in different presentations and iterations.

Competition

While demand for high-quality fishery products has expanded in China, competition has also intensified with a growing number of international suppliers entering the market. In China, country of origin markings function much like brands in other markets. For example, Norwegian salmon has 70 percent more brand recognition than U.S. origin salmon. Products with established brand recognition and reputations for positive health benefits often enjoy strong sales in the food service and retail sector. By contrast, seafood products with little or no product origin recognition usually face a much steeper market development curve and forced to compete solely on price.

Although the fishery industry has been hit by the economic crisis, especially for higher-priced items, Chinese importers are confident that the market will bounce back in the near future.

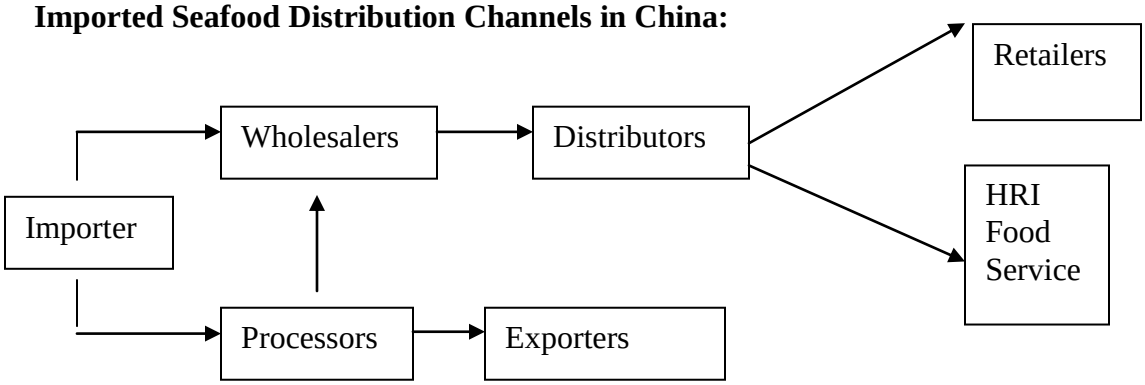
Prices

While price is still one of the most significant factors influencing food purchasing decisions, it is no longer the sole criteria for China's increasingly health-conscious consumers and fine dining operators. With food safety

concerns in China and increased industrial pollution, some consumers are reluctant to purchase local fishery products. While this is a challenge for seafood consumption in general, it also presents an opportunity for many U.S. seafood products.

In addition to competition from third country suppliers, domestic competition is also on the rise. Local products continue to gain market share due to improved quality, lower prices, and greater availability. Based on discussions with local traders, seafood distributors, and suppliers complain that due to the higher prices for imports, many retailers are hesitant to stock higher end seafood products in their stores because it usually requires a larger investment. On the other hand, black market sales are also one of the main barriers. There are processors who normally import raw materials for the purpose of processing, which is subject to much lower import tax and VAT. After processing, a portion of the raw material is always lost and considered waste. In some cases, however, processors sell the raw materials and report these raw materials lost. As a consequence, prices for these fishery products are 3-4 times lower than the properly imported products. This unfair competition continues to exist and hurt some legitimate importers. For more detailed information, please refer to CH8005.

Imported Seafood Distribution Channels in China:



Trade shows

During the 14th China Fisheries and Seafood Expo held in Qingdao, sustainability and traceability became a major focus of traders and consumers. Various seminars focused on how to provide quality fishery products while keeping the sustainability and ensuring food safety through traceability. Through Post visits to mid- to high-level seafood processing plants, product traceability is forced on processors for re-export business, which requires every step of the supply chain ensure traceability of the fishery products from fishing vessel to each individual processed fish fillet. With consumers rising demand for food safety, traceability became naturally important in China. Since the China Fisheries and Seafood Expo is the largest seafood show in Asia, it is the ideal venue to connect with Chinese buyers and distributors. At a time when consumption is stalled or declining in major seafood markets around the world, China's seafood imports continue to set records year after year. Post recommends exporters participate in or visit this trade show to take the pulse of China's domestic and imported

seafood market potential.

Best practices

While superior quality, premium prices, traceability, and high levels of food safety are all characteristic of U.S. seafood and fishery products, exporters need to be aware of the relevant trade policies for exporting and selling in China. Investment in a long-term marketing strategy to differentiate products from domestic or other international competitors is important in this market. Potential market entrants need to conduct extensive desktop and preliminary research before determining if the market is appropriate for their products. Trademark registration and IPR protection is also strongly recommended for all U.S. product exports. Participating in the annual China Fisheries and Seafood Expo is a good way to test the water and establish initial face-to-face contact with importers and distributors. In addition, finding a suitable partner with compatible goals is important for long-term market development and sales success.

Trade Tables:

Trade of Certain Aquatic Products (Volume: MT; Value: $ Million)

Imports by Category

HS Code	Year	Jan-Dec/06		Jan-Dec/07		Jan-Dec /08		Jan-Oct /09	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value
	Total	2,192,947	3,400	2,327,181	3,486	2,353,986	3,713	1744038	2850
0302	Fish, Fresh	4,062	24	6,035	33	7,057	44	7,751	49
0303	Fish, Frozen	1,730,681	2,635	1,814,983	2,635	1,805,044	2,736	1,396,139	2,120
0304	Fish, Fillet	22,100	45	17,098	38	16,987	48	26,078	58
0305	Fish, Dried, Salted, Brined	8,415	31	9,762	34	27,036	49	23,338	17
0306	Crustaceans	97,155	292	76,746	300	81,721	308	73,277	278
0307	Mollusks & Other	315,049	336	382,031	387	398,003	471	208,195	286
1604	Prepared and Packaged Fish and Caviar	3,867	13	5,518	20	6,038	24	2,575	10
1605	Prepared and Packaged Crustaceans and Mollusks	11,618	24	15,008	39	27,036	29	23,338	33

Exports by Category

HS Code		Jan-Dec/ 06		Jan-Dec/07		Jan-Dec/08		Jan-Oct /09	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value
	Total	2,791,776	8,600	2,834,491	8,910	2,730,030	9,619	2,158,678	7,705
0302	Fish, Fresh	54,571	144	46,466	116	39,680	118	28,546	95
0303	Fish, Frozen	521,458	680	452,193	637	415,078	674	382,973	608
0304	Fish, Fillet	796,162	2,289	793,531	2,443	797,703	2,602	727,371	2,474
0305	Fish, Dried, Salted, Brined	53,855	223	56,920	239	58,897	280	45,665	232
0306	Crustaceans	117,062	398	103,967	368	86,979	380	144,378	795
0307	Mollusks and Other	294,079	651	277,855	616	249,134	648	235,347	767
1604	Prepared or Packaged Fish and Caviar	476,653	1,815	623,942	2,129	629,709	2,320	358,508	1,331
1605	Prepared or Packaged Crustaceans and Molluscs	477,936	2,400	479,617	2,362	452,849	2,598	235,890	1,403

Source: World Trade Atlas

Aquatic Products Trade by Country of Origin (Value: $ million)

Imports by Country of Origin

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct/09
Russia	1,213	1,340	1,223	954
United States	409	463	533	472
Canada	174	163	184	136
Norway	160	173	183	193
Japan	235	209	181	113
Netherlands	83	85	175	75
Korea, South	78	142	159	77
Thailand	67	97	115	82
Peru	64	66	100	58
India	91	86	94	82
Other	611	663	766	607
Total	3,184	3,487	3,713	2,850

Exports by Country of Destination

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct/09

Japan	2,802	2,734	2,500	1,968
United States	1,738	1,729	1,996	1,569
Korea, South	993	973	917	652
Germany	360	384	497	380
Russia	176	300	362	235
Hong Kong	287	314	326	314
Malaysia	177	185	298	199
Thailand	39	48	118	76
Spain	239	241	230	201
Taiwan	93	137	173	244
United Kingdom	212	228	257	190
Mexico	189	173	180	120
Canada	186	211	239	215
Philippines	50	45	55	100
Netherlands	111	120	152	120
Other	949	1,088	1,322	1,122
Total	8,601	8,909	9,619	7,705

Source: World Trade Atlas

Imports of Fish, Frozen by Country of Origin (Volume: MT)

Country	Jan-Dec/06	Jan-Dec /07	Jan-Oct /08	Jan-Oct /09
Russia	706,827	724,009	716,816	561,003
United States	190,633	222,906	211,631	210,897
Netherlands	108,016	112,170	121,138	55,204
Thailand	61,094	97,880	106,737	50,760
Japan	149,979	133,374	95,651	65,756
India	114,174	105,633	88,399	59,139
Norway	73,136	71,152	79,283	91,700
Korea, South	25,489	32,862	49,489	30,310
New Zealand	35,477	39,084	49,087	41,686
Canada	38,011	38,406	37,068	24,587
Other	227,845	237,507	249,746	205,098
Total	1,730,681	1,814,983	1,805,044	1,396,139

Imports of Flatfish by Country of Origin (Volume: MT)

Country	Jan-Dec/06	Jan-Dec/07	Jan-Dec/08	Jan-oct/09
United States	73,669	83,332	104,640	82,154
Russia	43,129	37,304	20,641	11,873
Canada	7,940	8,238	8,428	6,108
Greenland	3,543	7,351	6,441	4,861
Pakistan	1,331	1,261	2,597	1,577
Korea, South	4,309	2,237	2,537	1,122
Norway	2,277	2,667	2,372	1,676
Spain	1,187	2,385	2,117	2,448
Denmark	4,033	3,896	2,092	385
India	689	1,218	1,990	2,865
Other	12,127	12,730	12,893	8,566
Total	154,234	162,618	166,749	123,634

Source: World Trade Atlas

Imports of Cod by Country of Origin (Volume: MT)

Country	Jan-Dec/06	Jan-Dec/07	Jan-Dec/08	Jan-Oct/09
Russia	396,857	344,125	243,927	63,526
Netherlands	59,257	40,144	31,989	10,050
United States	34,810	25,442	21,586	17,983
Japan	25,836	30,000	13,908	3,416
New Zealand	13,301	11,865	11,262	6,327
Norway	10,793	10,781	6,742	15,019
Korea, South	11,833	11,391	6,562	3,428
Germany	5,873	6,448	3,814	454
Denmark	616	2,812	2,754	1,836
Greenland	758	2,062	1,786	2,250
Other	32,343	8,649	9,371	4,580
Total	592,275	493,720	353,700	128,868

Imports of Plaice by Country of Origin (Volume: MT)

Country	Jan-Dec/06	Jan-Dec/07	Jan-Dec/08	Jan-oct/09
United States	72,737	82,173	103,536	80,498
Russia	37,805	32,596	16,498	7,967
Canada	4,603	3,504	2,915	1,882
Korea, South	4,137	1,500	2,041	739
China	4,439	1,674	1,939	96
Spain	758	1,638	1,617	1,112
Greenland	601	792	1,270	593
Netherlands	942	827	689	393
Portugal	208	437	537	213
Denmark	2,873	571	438	49
Other	2,990	3,138	1,817	2,235
Total	132,093	128,850	133,297	95,777

Source: World Trade Atlas

Imports of Salmon by Country of Origin (Value: $ million; Volume: MT)

(Value: in $ million)

Country	Jan-Dec/06	Jan-Dec/07	Jan-Dec/08	Jan-Oct/09
United States	78	116	106	136
Japan	115	81	82	47
Norway	25	37	42	45
Russia	96	43	47	117
Chile	12	9	16	32
Other	11	6	5	11
Total	337	292	299	388

(Volume: in MT)

Country	Jan-Dec/06	Jan-Dec/07	Jan-Dec/08	Jan-Oct/09
United States	42,045	59,898	44,700	56,481
Japan	54,645	43,435	39,101	20,794
Russia	49,900	22,105	25,537	67,776
Norway	4,443	7,214	6,535	6,813
Chile	5,617	4,321	5,413	12,634
Other	6,079	3,827	3,364	4,729

Total	162,730	140,799	124,650	169,226
Average import price		$2.08/Kg	$2.4/Kg	$2.29/Kg

Imports of Herrings by Country of Origin (Volume: MT)

Country	Jan-Dec/06	Jan-Dec/07	Jan-Dec/08	Jan-oct/09
Russia	0	39,625	48,708	28,035
United States	0	6,875	4,757	5,699
Netherlands	0	4,828	4,239	7,841
Germany	0	606	1,752	1,603
Korea, South	0	293	1,680	2,488
Other	68	2,274	2,758	3,005
Total	68	54,502	63,894	48,671
Unit price			$0.56/Kg	$0.53/Kg

Source: World Trade Atlas

Imports of Crustaceans by Country of Origin (Value: $ million; Volume: MT)

(Value: in $ Million)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
Canada	97	85	102	87
United States	9	11	28	19
Russia	38	45	23	17
Indonesia	13	10	20	11
Thailand	20	22	19	24
Greenland	22	19	16	15
Malaysia	6	10	13	9
Myanmar	2	6	11	20
Japan	15	16	10	7
United Kingdom	3	9	9	7
Other	66	67	57	63
Total	292	300	308	278

(Volume: in MT)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
Canada	37,084	26,695	25,800	21,021
Russia	12,681	15,059	7,976	5,267
Greenland	10,922	9,229	7,240	5,804
United States	2,522	3,758	5,913	4,805
Myanmar	496	2,040	4,950	6,207
Thailand	4,449	4,465	4,029	4,912
Korea, South	1,084	1,599	2,790	1,803
Indonesia	2,671	2,096	2,751	2,042
Japan	4,473	4,263	2,721	1,767
Denmark	3,431	2,616	2,323	1,611
Other	17,341	17,530	15,228	18,038
Total	97,155	89,351	81,722	73,277

Source: World Trade Atlas

Imports of Mollusks and Other by Country of Origin (Volume: MT)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
Peru	70,169	69,942	82,113	50,882
Korea, South	19,151	95,163	81,124	19,938
Argentina	26,130	25,539	40,278	5,263
Taiwan	18,147	56,350	32,133	3,783
United States	47,954	23,479	30,393	26,801
Korea, North	41,652	21,192	24,679	9,435
New Zealand	12,126	12,105	12,410	9,413
Japan	2,871	3,826	12,255	4,431
Malaysia	3,584	7,232	11,287	9,406
India	7,039	7,380	9,192	7,401
Other	66,227	59,824	62,141	61,443
Total	315,049	382,031	398,003	208,195

Imports of Fishmeal by Country of Origin (Volume: MT)

Country	Jan-Dec/06	Jan-Dec/07	Jan-Dec/08	Jan-Oct/09
Peru	602,262	516,557	876,338	719,210
Chile	159,007	187,563	239,351	318,194
United States	69,146	72,163	76,978	67,155
Russia	34,859	39,190	49,138	35,226
Argentina	21,774	15,083	21,979	15,372
New Zealand	16,432	14,391	16,646	13,508
South Africa	5,047	13,267	13,300	8,567
Pakistan	11,012	14,436	12,807	12,066
Myanmar	12,630	15,983	10,671	3,254
Thailand	17,937	50,053	5,865	3,195
Other	29,042	27,667	25,601	29,548
Total	979,151	966,353	1,348,676	1,225,295
Price ($/Kg)	1.15	1.31	1.63	0.98

Source: World Trade Atlas

Exports of Fish Fillet by Destination (Value: $ million)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
United States	645	649	636	730
Germany	340	357	475	360
Japan	446	450	430	387
United Kingdom	183	183	196	145
Canada	107	118	105	94
Netherlands	88	92	97	78
France	72	78	95	85
Spain	47	69	77	53
Russia	39	48	56	85
Belgium	33	47	55	43
Other	290	352	380	413
Total	2,289	2,443	2,602	2,474

Exports of Prepared and Packaged Fish and Carviar by Country (Value: $ million)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
Japan	1,020	975	773	606
United States	303	432	609	226

Russia	69	162	188	78
Korea, South	80	93	126	70
Mexico	49	89	114	41
Hong Kong	60	81	70	54
Thailand	6	13	54	23
Ukraine	11	20	45	13
Malaysia	38	27	34	29
Taiwan	7	8	33	18
Other	172	229	273	173
Total	1,815	2,129	2,320	1,331

Source: World Trade Atlas

Exports of Prepared and Preserved Crustacean and Mollusks by Destination (Value: $ million)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
Japan	765	779	750	442
United States	550	454	579	357
Malaysia	92	118	217	34
Korea, South	168	195	172	80
Hong Kong	100	125	134	54
Russia	56	78	102	38
Canada	39	59	92	58
Taiwan	22	53	71	46
Australia	59	71	61	38
Mexico	111	77	58	24
Other	437	354	361	232
Total	2,400	2,362	2,598	1,403

Exports of Shrimps and Prawns by Destination (Value: $ Million; Volume: MT)

(Value: in $ million)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
United States	309	205	263	251
Japan	263	278	252	194
Malaysia	73	98	212	112
Spain	118	95	103	75
Hong Kong	102	111	77	71
Canada	24	41	75	65
Korea, South	94	99	70	61
Mexico	110	69	52	32
Australia	56	66	50	40
Russia	2	11	29	31
other	186	201	197	213
Total	1,338	1,275	1,381	1,145

(Volume: MT)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
United States	56,044	36,225	40,928	37,197
Japan	41,142	49,190	37,339	28,491
Malaysia	11,880	16,428	30,156	14,704
Korea, South	39,142	38,846	26,240	20,793
Spain	28,339	25,063	25,448	19,678
Hong Kong	20,080	18,923	11,421	11,600

Canada	4,314	6,539	10,160	8,681
Mexico	17,247	11,553	9,865	4,748
Australia	10,441	11,292	7,863	5,743
Russia	264	2,388	6,024	6,669
Other	41,016	42,273	35,534	33,205
Total	269,908	258,721	240,978	191,508

Source: World Trade Atlas

Exports of Shrimps and Prawns by Category (Value: $ Million; Volume: MT)

(Value: in $ million)

Category	Jan-Dec /06	Jan-Dec /07	Jan-Oct /08	Jan-Oct /09
Shrimps and Prawns	1,338	1,275	1,381	1,144
Shrimps And Prawns, Prepared Or Preserved	1,115	1,072	1,133	570
Shrimps And Prawns, Including In Shell, Frozen	187	182	236	487
Not Frozen Shrimps And Prawns, Nes	32	18	10	50
Prawns, Fresh Or Chilled	4	3	1	36

(Volume: MT)

Category	Jan-Dec /06	Jan-Dec /07	Jan-Oct /08	Jan-Oct/09
Shrimps and Prawns	269,872	258,711	240,941	191,433
Shrimps And Prawns, Prepared Or Preserved	200,643	197,105	182,854	100,363
Shrimps And Prawns, Including In Shell, Frozen	41,986	49,638	52,120	71,990
Not Frozen Shrimps And Prawns, Nes	25,234	9,979	5,412	12,708
Prawns, Fresh Or Chilled	2,009	1,988	556	6,372

Source: World Trade Atlas

Exports of Crawfish by Destinations (Value: $ million)

Country	Jan-Dec/06	Jan-Dec/07	Jan-Dec/08	Jan-Oct/09
United States	82	72	34	29
Denmark	31	15	30	21
Netherlands	1	2	25	20
Sweden	19	20	22	23
Belgium	48	41	20	17
United Kingdom	6	8	11	7
Japan	21	14	7	5
Singapore	0	0	3	27
Germany	3	4	3	2
Taiwan	2	1	3	2
Other	22	14	13	7
Total	234	191	170	160

Exports of Eel Products by Destinations (Value: $ million)

Country	Jan-Dec/06	Jan-Dec/07	Jan-Oct/08	Jan-Oct/09

Japan	498	442	212	237
United States	27	29	41	27
Hong Kong	8	31	29	10
Russia	9	21	25	21
Taiwan	1	0	12	5
Korea, South	2	7	11	9
Singapore	2	6	7	6
Poland	1	8	6	4
Other	48	38	29	26
Total	596	583	373	346

Source: World Trade Atlas

Exports of All Tilapia Products by Destination (Volume: MT)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
United States	83,251	122,091	118,538	103,904
Mexico	28,223	39,289	36,522	28,314
Russia	3,283	19,357	17,117	19,669
Nigeria	0	167	9,185	53
Cote d'Ivoire	314	1,404	5,279	3,051
Israel	2,914	4,073	4,146	5,282
Poland	646	2,502	3,734	2,051
Netherlands	776	2,860	2,757	2,388
Belgium	1,094	1,753	2,282	1,263
Ukraine	129	1,091	1,752	697
Germany	1,365	1,996	1,708	1,611
Puerto Rico (U.S.)	953	1,270	1,697	845
Other	9,806	17,376	19,605	28,964
Total	132,755	215,229	224,321	198,094
Export Unite Price				$2.95/Kg
Total Value($ million)	**277**	**491**	**734**	**545**

Export of Selected Tilapia Products (fillet, dried, salted, preserved/prepared) by Destinations (Volume: MT)

Country	Jan-Dec /06	Jan-Dec /07	Jan-Dec /08	Jan-Oct /09
United States	58,294	114,471	114,852	97,334
Mexico	18,675	37,283	35,760	26,539
Russia	2,513	19,142	17,048	19,574
Nigeria	0	117	7,814	0
Israel	2,375	3,843	4,136	5,229
Poland	622	2,502	3,734	2,051
Cote d'Ivoire	0	1,219	3,013	1,110
Netherlands	535	2,447	2,303	1,722
Belgium	812	1,407	1,870	1,021
Ukraine	31	966	1,752	697
Germany	1,356	1,996	1,701	1,540
Puerto Rico (U.S.)	953	1,270	1,697	845
Other	4,689	14,504	15,909	18,389
Total	90,855	201,169	211,590	176,049
Export Unit Price			$3.37/Kg	$2.91/Kg
Total Value ($ million)	**232**	**475**	**714**	**513**

Source: World Trade Atlas